

**UNITED STATES BANKRUPTCY COURT
FOR THE NOTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

In re

AUTOMOTIVE PROFESSIONALS, INC.,

Debtor.

Case No. 07-06720

Chapter 11

Hon. Carol A. Doyle

Hearing Date: August 31, 2010

Hearing Time: 10:00 a.m.

Obj. Deadline: August 27, 2010

NOTICE OF MOTION

To: See attached Service List

PLEASE TAKE NOTICE that on **August 31, 2010 at 10:00 a.m.** or as soon thereafter as counsel may be heard, we will appear before Chief United States Bankruptcy Judge Carol A. Doyle, or any other judge sitting in her stead, in Courtroom 742 of the Dirksen Federal Building, 219 S. Dearborn St., Chicago, Illinois, on the attached **FINAL APPLICATION FOR ALLOWANCE OF FEES AND REIMBURSEMENT OF COSTS OF ARNSTEIN & LEHR LLP AS COUNSEL FOR THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS FOR THE ESTATE OF AUTOMOTIVE PROFESSIONALS, INC.**, at which time and place you may appear as you see fit.

**OFFICIAL COMMITTEE OF UNSECURED
CREDITORS FOR THE ESTATE OF
AUTOMOTIVE PROFESSIONALS, INC.**

By: /s/ Miriam R. Stein
One of their Attorneys

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CERTIFICATE OF SERVICE

I, Miriam R. Stein, an attorney, certify that I caused a copy of the Notice of Motion and Application to be served on the parties and in the manner listed on the attached service list either by the Court's ECF System or electronic mail on July 26, 2010.

/s/ Miriam R. Stein

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**FINAL APPLICATION FOR ALLOWANCE OF FEES AND REIMBURSEMENT OF
COSTS OF ARNSTEIN & LEHR LLP AS COUNSEL FOR THE OFFICIAL
COMMITTEE OF UNSECURED CREDITORS FOR THE ESTATE OF
AUTOMOTIVE PROFESSIONALS, INC.**

Barry A. Chatz, Miriam R. Stein, George P. Apostolides, and Arnstein & Lehr LLP (collectively "A&L") counsel for the Official Committee of Unsecured Creditors ("Committee") for the estate of Automotive Professionals, Inc., respectfully submit this Final Application for Allowance of Compensation and Reimbursement of Expenses (the "Application") in the amount of \$274,531.50 in fees and \$423.69 in expenses relating to legal services rendered on behalf of the Committee during the period from June 22, 2007 through June 30, 2010 ("Application Period"), pursuant to section 330 of the United States Bankruptcy Code (the "Bankruptcy Code"). In support of this Application, A&L states as follows:

I. Background of Case

1. On April 13, 2007 (the "Petition Date"), Automotive Professionals, Inc. (the "Debtor") filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code.
2. On June 11, 2007, the Office of the United States Trustee for this district, filed its Application to Approve the Appointment of a Chapter 11 Trustee. On June 12,

2007, this Court entered an order granting the U.S. Trustee's motion, and approving the appointment of Frances Gecker (the "Trustee") as Chapter 11 trustee for the Debtor's estate.

3. On June 22, 2007, the United States Trustee appointed the Committee which consists of the following members: Profit Portfolio, Lenmore Associates, Inc., Continental Insurance Services, Inc., The Herb Chambers Companies, and Dealers' Financial Services, LLC.

4. On June 26, 2007, the Court entered an order establishing procedures for monthly interim compensation and reimbursement of expenses of professionals of the estate ("Administrative Order").

5. On July 25, 2007, the Court entered an order authorizing the Committee's retention of Barry A. Chatz, George P. Apostolides, Miriam R. Stein, and A&L as its counsel, retroactive to June 22, 2007.

II. A&L Fees and Expense Request

6. Pursuant to the Administrative Order, certain professionals of the Debtor and the Committee were authorized to submit a fee application on or before the 20th day of the month following the month for which compensation was sought (the "Monthly Fee Application"). Each Professional filed with the Court a Monthly Fee Application and served notice of the Monthly Fee Application upon (1) the Chapter 11 Trustee; (2) Counsel for the Committee; and (3) the United States Trustee.

A. Outstanding Fee Period

7. A&L has submitted thirty-one (31) Monthly Fee Applications covering the period from the Petition Date through March 31, 2010, and by this Application A&L is

requesting that such fees be allowed on a final basis. Additionally, A&L respectfully requests the Court approve its fees for legal services provided and reimbursement for costs incurred for the period of April 1, 2010 through June 30, 2010 ("Outstanding Period") on a final basis. The legal services provided by A&L during the Outstanding Period have been detailed on the invoices attached hereto as Exhibit A. The invoices attached also include the amounts requested for the reimbursement of actual and necessary costs incurred during the Outstanding Period. The time expended by professionals during the Outstanding Period is summarized as follows:

<u>Attorney / Professional</u>	<u>Specialty</u>	<u>Hours</u>	<u>Hourly Rate</u>
Becky L. Sutton ("BLS")	Paralegal	0.20	\$215
George P. Apostolides ("GPA")	Litigation	4.40	\$420
Jurate B. Medziak ("MLG")	Paralegal	1.80	\$175
Miriam A. Stein ("MZS")	Bankruptcy	1.60	\$450

The hourly rates listed above are customary and reasonable and are the same hourly rates charged to A&L's non-bankruptcy clients for various other matters.

8. The tasks performed by A&L during the Outstanding Period and set forth in the attached Exhibit A is further summarized as follows:

- communications with the Trustee and the Trustee's attorneys;
- court appearances on several Trustee motions;
- preparation and filing of Monthly Fee Applications;
- review of claim objections and discussions regarding the claim objections;
- review of the Motion Extending Time to File Final Fee Application ("Extension Motion") and court appearance on the Extension Motion; and;
- other and further services provided on behalf of the Committee.

A&L spent 8.00 hours of attorney time on the foregoing services, as is more fully described in Exhibit A. Said services have a value of \$2,926.00 for which A&L is seeking compensation.

9. There has been no duplication of services, either by partners or associates of A&L. When two or more attorneys participated in any activity, such joint participation was necessary as a result of either the complexity of the problems involved or the need to familiarize each attorney with the matters at issue so that each attorney could perform further necessary work.

10. Based on the hourly charges of A&L set forth above, A&L requests that the Court authorize payment of \$2,926.00 as compensation and \$21.57 for the reimbursement of its reasonable out-of-pocket expenses on a final basis for the Outstanding Period pursuant to sections 330 of the Bankruptcy Code.

B. Final Fee Request

11. Pursuant to the Combined Notice of (1) Confirmation of the Joint Liquidation Plan of the Debtor, and (2) Administrative Expense Claims Bar Date, administrative claims were to be filed no later than May 28, 2010 (the "Administrative Claims Bar Date").

12. On June 4, 2010, after notice and a hearing, the Bankruptcy Court entered an Order Extending Time to File Final Fee Application ("Extension Order"). The Extension Order provided, *inter alia*, that A&L was "granted leave to file its final fee application on or before July 28, 2010, and creditors and other parties in interest are granted leave to file objections to same on or before August 27, 2010."

13. Since the Petition Date, A&L has continued to render actual and necessary legal services on behalf of the Committee which include, but are not limited to, working closely with the Trustee to resolve outstanding issues; court attendance, negotiations with the Debtor's creditors and pursuing confirmation of the joint plan and approval of a disclosure statement.

14. Each of the thirty-one (31) Monthly Fee Applications contained detailed invoices for the fees requested and for the reimbursement of actual and necessary costs incurred. The information set forth in the Monthly Fee Applications and corresponding Orders is incorporated by reference herein as though set forth in full. A copy of the invoices for each of the Monthly Fee Applications is attached as Exhibit B.

15. Pursuant to the Administrative Order, A&L has been paid the following interim monthly payments based on amounts requested in the Monthly Fee Applications:

		<u>Requested</u>		<u>Paid</u>		Fee App. Docket #
Date Filed	Period Covered	Fees	Expenses	Fees	Expenses	
10/18/2007	6/22/07-9/30/07	\$39,205.00	\$153.66	\$39,205.00	\$153.66	401
11/20/2007	10/1/07-10/31/07	\$16,655.50	\$1.93	\$16,655.50	\$1.93	485
12/17/2007	11/1/07-11/30/07	\$11,395.50	\$8.50	\$11,395.50	\$8.50	515
1/21/2008	12/1/07-12/31/07	\$7,374.00	\$0	\$7,374.00	\$0	562
2/19/2008	1/1/08-1/31/08	\$5,777.00	\$12.80	\$5,777.00	\$12.80	586
3/19/2008	2/1/08-2/29/08	\$5,712.50	\$4.48	\$5,712.50	\$4.48	616
4/17/2008	3/1/08-3/31/08	\$8,623.00	\$0	\$8,623.00	\$0	641
5/15/2008	4/1/08-4/30/08	\$9,425.00	\$28.29	\$9,425.00	\$28.29	662
6/13/2008	5/1/08-5/31/08	\$8,973.00	\$5.94	\$8,973.00	\$5.94	690
7/19/2008	6/1/08-6/30/08	\$5,825.50	\$3.28	\$5,825.50	\$3.28	726
8/9/2008	7/1/08-7/31/08	\$4,278.50	\$88.82	\$4,278.50	\$88.82	750
9/15/2008	8/1/08-8/31/08	\$3,958.50	\$3.20	\$3,958.50	\$3.20	785
10/20/2008	9/1/08-9/30/08	\$5,100.50	\$0.00	\$5,100.50	\$0	828
11/19/2008	10/1/08-	\$5,014.00	\$4.49	\$5,014.00	\$4.49	850

	10/31/08					
12/15/2008	11/1/08-11/30/08	\$3,893.00	\$4.50	\$3,893.00	\$4.50	873
1/19/2009	12/1/08-12/31/08	\$6,056.00	\$2.80	\$6,056.00	\$2.80	891
2/13/2009	1/1/09-1/31/09	\$17,508.00	\$3.04	\$17,508.00	\$3.04	913
3/13/2009	2/1/09-2/28/09	\$15,064.00	\$18.81	\$15,064.00	\$18.81	937
4/13/2009	3/1/09-3/31/09	\$11,862.00	\$3.40	\$11,862.00	\$3.40	946
5/15/2009	4/1/09-4/30/09	\$9,758.50	\$10.08	\$9,758.50	\$10.08	971
6/19/2009	5/1/09-5/31/09	\$13,791.50	\$3.30	\$13,791.50	\$3.30	997
7/15/2009	6/1/09-6/30/09	\$9,088.50	\$5.10	\$9,088.50	\$5.10	1027
8/19/2009	7/1/09-7/31/09	\$4,779.00	\$4.50	\$4,779.00	\$4.50	1073
9/10/2009	8/1/09-8/31/09	\$2,357.00	\$3.00	\$2,357.00	\$3.00	1094
10/13/2009	9/1/09-9/30/09	\$7,937.00	\$16.60	\$7,937.00	\$16.60	1122
11/20/2009	10/1/09-10/31/09	\$10,327.00	\$0	\$10,327.00	\$0	1162
12/21/2009	11/1/09-11/30/09	\$4,735.00	\$0	\$4,735.00	\$0	1182
1/14/2010	12/1/09-12/31/09	\$3,042.00	\$2.80	\$3,042.00	\$2.80	1201
2/10/2010	1/1/10-1/31/09	\$4,728.00	\$2.80	\$4,728.00	\$2.80	1233
3/12/2010	2/1/10-2/28/10	\$3,357.50	\$3.20	\$3,357.50	\$3.20	1261
4/20/2010	3/1/10-3/31/10	\$6,004.00	\$2.80	\$6,004.00	\$2.80	1298
7/20/2010	4/1/10-6/30/10	\$2,926.00	\$21.57	PENDING	PENDING	
TOTAL:	6/22/07-6/30/10	\$274,531.50	\$423.69	\$271,605.50	\$402.12	

16. The time expended by A&L's professionals throughout the pendency of the case is summarized as follows:

<u>Attorney / Professional</u>	<u>Specialty</u>	<u>Hours</u>	<u>Hourly Rate¹</u>
Andrea L. Siskovic	Litigation	21.8	\$280
Barry A. Chatz	Bankruptcy	102.7	\$595
Becky L. Sutton	Paralegal	1.9	\$215
Christina Lutz	Litigation	1.0	\$230
George P. Apostolides	Litigation	347.6	\$420
Hal R. Morris	Litigation	1.1	\$415

¹ The hourly rates are adjusted on January 1st of each new year to reflect the advancing experience, capabilities and growing seniority of our professionals as well as other general economic factors that affect the operations of A&L's business. Rates presented are for 2010 or the final year in which the professional provided services on behalf of the Committee.

John C. Fuller	Paralegal	18.5	\$240
Jonathan B. Knisley	Litigation	30.8	\$255
Jurate B. Medziak	Paralegal	5.0	\$175
Joy E. Levy	Bankruptcy	21.6	\$340
John F. Hiltz	Bankruptcy	0.8	\$255
Kevin H. Morse	Bankruptcy	3.9	\$265
Mary Cannon Veed	Insurance	12.6	\$500
Miriam A. Stein	Bankruptcy	153.9	\$450
Robert A.. McKenzie	Bankruptcy	26.8	\$265
Raechelle Delarmente	Litigation	11.9	\$230
TOTALS		761.9	\$271,605.50

17. A&L respectfully submits that the fees and expense reimbursement sought herein are reasonable given the nature, extent and value of the services rendered, the quality and skill which the situation required, and the costs of comparable services in other cases under Chapter 11, and that time has been fairly and properly expended.

18. A&L respectfully requests that the Court authorize payment of \$274,531.50 for services rendered and \$402.12 for the reimbursement of its reasonable out-of-pocket expenses, as final compensation for the period of June 22, 2007 through June 30, 2010 pursuant to section 330 of the Bankruptcy Code.

19. By this Motion, A&L also requests that the notice of the Application be deemed sufficient. A copy of the Application has been sent to all parties receiving notice by the Court's ECF system, including the Chapter 11 Trustee and United States Trustee. Notice of the Application and hearing date has been sent to all creditors of the estate and all parties entitled to notice.

WHEREFORE, Barry A. Chatz, Miriam R. Stein, George P. Apostolides and the firm of Arnstein & Lehr LLP, respectfully request that the Court enter an Order:

- (A) Awarding it \$2,926.00 in fees and \$21.57 in reimbursement of expenses for the period of April 1, 2010 through June 30, 2010, as set forth herein pursuant to Bankruptcy Code Section 330 and 331, and authorizing the Trustee to pay the same;
- (B) Allowing it final compensation in the aggregate amount of \$274,531.50 for actual and necessary professional services rendered and reimbursement in the amount of \$402.12 for actual and necessary costs and expenses incurred;
- (C) Finding notice as provided is sufficient under the circumstances; and
- (D) Granting such other and further relief as the Court deems just and proper.

Respectfully submitted,
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